



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

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Division Director

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April 26, 1996

HAND DELIVERED !

William Bown
Utah Building Stone
842 West 400 North
Bountiful, Utah 84087

Re: Extension to Submit Interim Bond, Utah Building Stone, Lynn Springs Quarry,
M/003/025, Box Elder County, Utah

Dear Mr. Bown:

This letter is sent as a follow-up to the telephone conversation you had with Mr. Lynn Kunzler of the Division on April 19, 1996, and the verbal agreements reached at that time. It is the Division's understanding that you will provide the interim surety to the Division in the form of a Certificate of Deposit (CD) by May 6, 1996. This will be accomplished as follows:

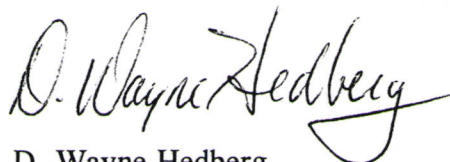
Merlyn Contracting, of Las Vegas, Nevada will pay you for a stone order(s) that you will deliver during the month of May 1996. Upon their receipt of your invoice (which you will send as soon as possible), Merlyn Contracting will forward a check for \$7,200.00 made out jointly to the Utah Division of Oil, Gas, and Mining and Utah Building Stone. Merlyn Contracting will send the check to the Division on or about May 3, 1996. Upon receipt of the check, we will contact you and arrange to meet you at your bank to purchase the CD which will be held by this Division as interim reclamation surety. You will add \$2,300.00 in supplemental funds to the \$7,200.00 check in order to purchase a \$9,500.00 CD from your bank. The CD will be made out jointly in favor of the Division of Oil, Gas and Mining and the U.S. Forest Service. No stone may be mined or removed from the Lynn Springs quarry until the surety is in effect and the CD is in our possession. Stone may only be quarried from existing disturbed areas. No new disturbance will be allowed until the Large Mining Notice is approved by our office. Because your existing plan of operations with the Forest Service has now expired, it is our understanding that you may need to make arrangements with their office for a mineral materials purchase.



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William Bown
M/003/025
April 26, 1996

We appreciate your willingness to resolve this bonding issue in an expeditious manner.
If you have any questions regarding this letter, please give us a call.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

cc:

Gordon Struthers, USFS
Steve Jones, Merlyn Contracting
Lowell Braxton, DOGM

M003025.bnd

*- 2915 West Charleston Ste 2B
Las Vegas NV 89102*